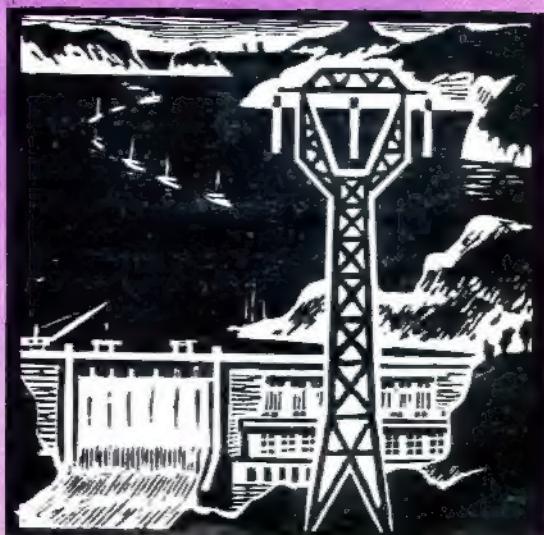
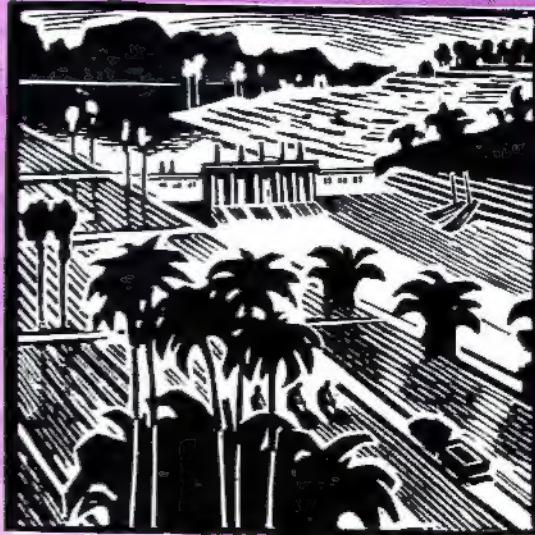
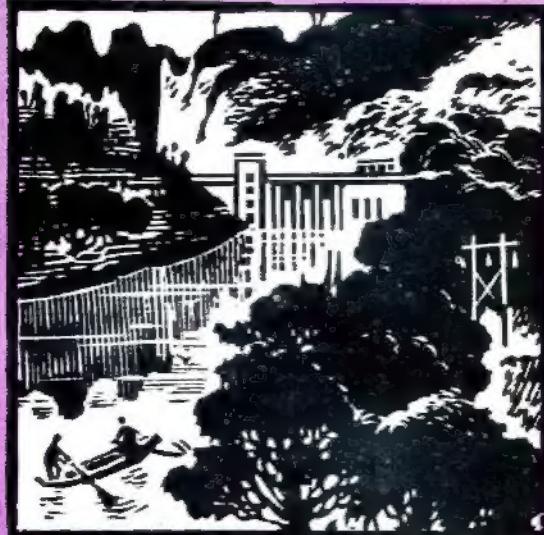


BEIJING REVIEW

北京周報

A CHINESE WEEKLY
OF
NEWS AND VIEWS

- Half-Yearly Industrial Production
- Readjustment in Capital Construction
- *Is Hanoi's Call for Talks Sincere?*



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China's Industrial Performance

Roundup of the first half of the year. The 13.6 per cent increase in output value over the same period of last year is better than expected (p. 3).

One Step Back, Two Steps Forward

The Special Feature in this issue gives the thinking behind the present cutback in capital construction. Why the slash and how it helps to readjust the national economy for a proportionate, steady advance (pp. 15-24).

Hua in Tokyo

Premier Hua attended Prime Minister Ohira's funeral. While

in Tokyo, he had talks with Carter, Premi and other world dignitaries (p. 7).

Hoang Van Hoan on His "Trial"

Veteran Vietnamese revolutionary talks about his "trial in absentia" by Hanoi (p. 11).

Falsified Figures Exposed

When Xiyang County, once regarded as a pace-setter in agriculture, admits falsifying its grain output figures, it is national news (p. 6).

20 Million New Jobs

Efforts to employ more young people have achieved initial success (p. 5).

TV's Growing Influence

Better programmes and many more sets built and sold. TV plays a growing role in the country's cultural life (p. 25).

Inner Mongolian Cliff Carvings

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ECONOMIC

Industrial Production Up

China's industrial production in the first half of this year was better than expected. This was disclosed by a leading member of the State Economic Commission.

Gross industrial output value for the months January-June was 246,700 million yuan, or 51 per cent of the planned target for the year. This is an increase of 13.6 per cent over that of the same period of last year, thereby laying a good foundation for fulfilling the 1980 plan which calls for a 6 per cent increase over 1979.

However, some difficulties still remain, such as shortage of energy, summer heat and heavy rain. In some departments, efforts must be made to tap the potential of factories to the full.

Since the beginning of this year, various departments and areas have done their best to increase production and income, reduce consumption of energy, raw and other materials, and maintain a continual increase in industrial production.

Of the 100 major products, the output of 81 has fulfilled more than 50 per cent of the annual plan.

Light industry led the way in output. Compared with the same period of last year, the half-yearly output value of light industry rose by 24.2 per cent as against only 6 per cent increase for heavy industry. This is the result of implementing the policy of readjusting the national economy and ar-

ranging production in the order of agriculture, light industry and heavy industry.

The output of bicycles, sewing machines, radio and TV sets went up by more than 31 to 100 per cent for this period. The output of tape recorders increased 13 times, while the production of such consumer goods as electric fans, refrigerators and washing machines also increased by a wide margin.

The products turned out by heavy industry for use in agriculture, light industry and building industry also rose by a big margin. The output of chemical fertilizers, soda ash, caustic soda, plastics and tyres was 13 to 27.5 per cent higher than in the corresponding period of last year.

The accumulated output of electricity for the first six months was 147,400 million kwh., or 9.9 per cent higher

than the same period of last year. Crude oil and coal registered a little increase, while the output of steel was 18.91 million tons, or 57.3 per cent of the annual plan. Output of cement was 38.62 million tons, which is 58.3 per cent of the annual plan.

The leading member of the State Economic Commission also noted the following developments in industrial production this year:

— Many factories turning out products for the army have also manufactured large quantities of electronic products, electrical appliances and other goods for civilians.

— With millions more young people employed, collectively owned industrial enterprises registered a 23.6 per cent increase in output value in the first six months as against 11.3 per cent for the state-owned ones. Collectively owned fac-

Vice-Premier Zhao on Economic Reform

Speaking to Senator Byrd and members of his party on China's economic situation on July 8, Vice-Premier Zhao Ziyang said: China's economy is as a whole in good shape since the implementation of the policy of readjusting, restructuring, consolidating and improving the national economy last year. "Our economic improvement is inseparable from the new economic policy and the economic reform we are now carrying out," he said.

He explained that the principles guiding this reform can be summed up as: emancipating the mind, adopt-

ing a flexible policy and enlivening the economy. "We will advance steadily along this course," he added.

Zhao Ziyang went on to say that while adhering to the socialist system of public ownership, distribution according to the amount of work done and planning, China is combining the socialist system with commodity economy and guidance through planning with the mechanism of the market. "It is our hope," he stressed, "that there will be a prolonged, sustained and stable economic growth in China."



Tape recorders and cameras are now mass-produced.

tories have turned out large quantities of daily necessities, foodstuffs and handicrafts.

— Many provinces, municipalities and autonomous regions have speeded up their industrial production by making full use of local natural conditions and resources. For instance, the coastal province of Zhejiang increased its industrial output value by 31.9 per cent, Hubei Province by 29 per cent and Jiangsu Province by 26.7 per cent.

— Many light industrial departments in various parts of China have set up inter-province or inter-city joint enterprises on the basis of voluntary participation and mutual benefit. This not only facilitates the development of industrial production by making full use of the advantages of each side, and is especially helpful to the less-developed areas, but also encourages competition among the enterprises, spurring them on to improve management, reduce production costs and raise quality.

This leading member stressed that in developing the economy in the years to come, the policy of giving scope to the strong points, protecting competition

and promoting the setting up of joint enterprises will be followed.

Giving Play to Strong Points And Co-operation

In the present endeavour to develop local economy in line with the characteristics and advantages of different places, co-operation as a means of creating new productive forces has once again attracted wide attention.

Not long ago, Governor Han Ningfu of Hubei Province pointed out that his province has the advantage of being the second largest cotton-producing area in China. To turn this to account, he asked, is it advisable to set

up more cotton mills in Hubei? His answer was "No." In the interest of the whole country, Hubei Province should ship as much cotton as possible to Shanghai and Qingdao where the textile mills, with their richer experience and more advanced techniques, can produce more and better textile goods with the same amount of material.

Through co-operation, the technical superiority of the big industrial centres is being combined with the rich resources of the underdeveloped areas.

Shanghai, China's largest industrial city, recently sent a 27-member industrial group to the Xinjiang Uygur Autonomous Region which has vast natural resources but lacks equipment and



A woollen mill in Sichuan Province's Garze Tibetan Autonomous Prefecture using local raw materials to produce blankets and other articles for the minority nationalities.

technology. The Shanghai technicians and veteran workers visited 54 enterprises in Urumqi, Shihezi and other cities and helped them solve technical problems on the spot. Shanghai will provide the region with 130 sets of textile equipment and help train 430 technicians. Agreements to this effect were signed between the two sides.

Shanghai has also given technical assistance to the textile industry in Henan Province and the printing and dyeing industry in Heilongjiang Province.

Tianjin, second largest industrial city in the country, is helping Gansu Province in northwest China tackle technical problems in the tanning, chemical fibre and aluminium products industries. By agreement, Tianjin will undertake the building of 14 projects and the training of technicians for Gansu, in addition to sending experts to give lectures and exchanging scientific and technological information.

Beijing and the Inner Mongolian Autonomous Region have decided to co-operate in the fields of animal husbandry, light and textile industries, communications and transport. Beijing will provide funds and technology for Inner Mongolia which, apart from its livestock, is rich in mineral resources. They have also worked out plans for co-operation in agriculture, science and technology, trade, culture, education and health work.

Helping Poor Rural Areas

Agricultural taxes (public grain) in the poor rural areas, amounting to 2,367,500 tons of grain, were remitted for the fiscal year ending March 31,

1980. This was worth 746 million yuan, or about 18 per cent of China's total agricultural taxes for the year.

Agricultural tax in China only accounts on the average for about 4 per cent of the total annual output value of agricultural production.

The exemption was made according to a decision of the State Council, which became effective April 1, 1979, to remit for three years running agricultural taxes on those poor production teams which were short of grain resulting from low output. As regards those production teams which have difficulties owing to crop failures or a drop in income, taxes can be reduced or remitted for the year according to the actual situation.

The new policy has reduced the burden of the peasants and promoted production. Take the more than 3,300 production teams in the area around Zaozhuang city in Shandong Province for example. Using the 1.91 million yuan of exempted agricultural taxes to expand small industrial enterprises and sideline occupations and diversify

their economy, they increased their income by 6 million yuan in one year.

Herdsmen have also benefited from this new policy. In Xinjiang, half of the taxes on animal husbandry will be remitted this year. And for the next five years, there will be no increase in taxes even if there is an increase in output. Those who have difficulties will be exempted from taxes or given special treatment.

20 Million More People Employed

More than 19.3 million youths and other people were given jobs by the state over the past three years (1977-79), and last year alone accounted for 9 million. This was disclosed by the State Bureau of Labour.

Prior to 1977 most people were employed in state-owned enterprises. In the last two years, however, collectively owned enterprises, which have developed rapidly, have been employing more and more people. Today, about half of the



A snack stall owned and run by husband and wife in the city of Wuhan in central China selling tasty jellied bean curd.

newly employed work in these enterprises, which are part of the socialist economy.

The establishment of collectively owned labour service companies in many big and medium-sized cities is one of the methods used to solve the employment question. Providing work or vocational training for young people waiting for jobs, these companies have recruited many of them to do such work as repairing houses, transporting goods, making furniture, repairing boilers, and so forth. Recently, the state has allocated additional funds to help cities set up such companies.

POLITICAL

Falsified Figures Exposed

The Chinese press recently reported a case of gross falsification.

Shanxi Province's Xiyang County, where the Dazhai Production Brigade is located, falsely reported its grain output by 136,000 tons, nearly 24 per cent more than the actual output for the period 1973-77.

The reshuffled Xiyang county Party committee checked the exact grain output for those five years and corrected the mistake. This action has won the support of cadres and commune members of the whole county, and has been cited as yet another example of upholding the Party's fine tradition of seeking truth from facts.

By dint of hard work and with assistance from the state and other quarters concerned, the cadres and masses of Xiyang have since 1966 succeeded in increasing grain output by a wide margin. By 1977 confirmed grain output had

reached 135,000 tons, triple the annual output before 1966. This was a real contribution by the people of Xiyang County to the state.

This notwithstanding, giving false reports of the actual amount produced is not creditable.

In 1973, Xiyang was hit for the second consecutive year by a severe drought. As a result, total grain output that year was only 74,500 tons. However, to create a "miracle" that the county reaped "an unheard-of bumper harvest by making unheard-of all-out efforts in a year of unheard-of drought," the then top leading member of the county Party committee falsely reported that grain output for that year was 119,500 tons, 45,000 tons more than the actual output. In the years that followed, the county Party committee kept on lying. Even in 1977, after the gang of four was smashed, it reported over 30,000 tons more than the actual output.

Commenting on this matter, *Renmin Ribao* stressed that, in the ten years of turmoil, the Party's fine tradition of being practical and realistic was undermined, while many cases of falsification appeared. The root cause was that certain leading members fishing for fame and compliments compelled their subordinates to submit false reports.

Several years ago, there were people who suspected the truthfulness of Xiyang County's reports. But a few leading comrades, abusing their power and position, spared no effort to defend the lies. Anyone who dared to speak the truth was labelled as "anti-Dazhai" and "felling the red flag." This kind of political frame-up was

the product of feudal dictatorship. The recent exposure and correction of the lies told for five years resulted from the removal of the top leading member on the Xiyang Party committee and the restoration of the Party's fine tradition of seeking truth from facts.

The commentary concluded by saying that everybody should learn from this negative example. It stressed: "Telling lies will bring harm to the country, the Party and the people. We should not tolerate any more lies of any kind today or tomorrow."

SOCIAL

Love and Sentiments

The national newspaper *Zhongguo Qingnian Bao* (Chinese Youth News) published on May 20 a young man's letter saying that he was very upset because his girl friend insisted on marrying him even though he had become paralysed for half a year. The paper received within one month over 6,000 letters from its readers expressing their views on this matter.

Jiang Xue, the paralytic, said in his letter that he and his girl friend had been in love for four years and that they were both lovers of literature and music. He was worried that if they got married, he would be a burden to the girl who was active and enterprising. He also revealed that just a week before he wrote the letter, he was told by the doctor that he had heart trouble. All this, however, failed to dissuade the girl. Since he did not have the heart to reject her love, he wrote to the paper for advice.

The letters expressed different views. Around 80 per cent supported the girl's attitude, saying that Jiang Xue, already a paralytic for life, should be spared another blow. About 10 per cent of the letters suggested that he turn down her love. And the remaining 10 per cent put forward various kinds of other proposals.

Though views differed, most of the readers were of the opinion that love should be based on sincere affections and common interests. Many expressed sympathy for Jiang Xue and praised his girl friend for her lofty sentiments. A reader in Hebei Province sent medicines, while another in Henan Province sent special native products which were good to Jiang's health.

The discussion produced heartening results. It helped many young people to realize their previous wrong attitude towards love.

Commenting on these letters, the paper stressed that "the socialist ethics destroyed during the ten tumultuous years of the Cultural Revolution are being revived among the youth of this generation."

The paper recalled another discussion two years ago. The more than 4,000 readers taking part all censured a young man for his fickleness in love.

The paper said that these two discussions "prove that the youth of China have a clear idea of what they should love and what they should hate. They are capable of discarding outdated traditional concepts and training themselves to become a new generation with lofty sentiments."

FOREIGN RELATIONS

Distinguished Guests From the Congo

Denis Sassou-Nguesso, President of the People's Republic of the Congo, and his party recently paid a five-day state visit to China. He held talks with Premier Hua Guofeng in Beijing, and exchanged views on the current situation in Africa and other international issues of common concern as well as on bilateral relations.

On July 8 China and the Congo signed an economic and technical co-operation agreement, a summary of talks on the arrangements for economic and technical co-operation, and a cultural co-operation agreement.

Speaking at the banquet given in honour of President Sassou-Nguesso on July 7, Premier Hua said that the strengthening and development of friendship between the two countries benefit not only the Chinese and Congolese peoples but also the third world as well as the noble cause of the people of the world in safeguarding world peace. Premier Hua also paid high tribute to the O.A.U. which has made positive contributions and played an important role in the past 17 years in supporting the African countries in their struggle for national independence and liberation, and particularly in promoting the development of the national economy in African countries, strengthening their economic co-operation, consolidating their independence and enhancing their unity.

In his speech, President Sas-

sou-Nguesso said: "In today's world where injustice is still the rule and imperialism dominates people and entire continents, the unity of the people of China and the Congo constitutes an important guarantee for the peace and independence of the people."

Premier Hua Attends Ohira's Funeral

Premier Hua Guofeng went to Tokyo on July 8 to attend the funeral for the late Prime Minister Masayoshi Ohira who had made contributions to the development of Sino-Japanese friendship and co-operation. Premier Hua extended his condolences to Shigeko Ohira, widow of the late Prime Minister, and other members of the family.

At the reception given by Acting Prime Minister Masayoshi Ito on July 9, Premier Hua had cordial conversations with Ito, leading members of the Japanese Diet and the ruling Liberal Democratic Party, as well as state and government leaders of other countries. Zenko Suzuki, Chairman of the Executive Council of the Liberal Democratic Party, said to Premier Hua that Sino-Japanese relations, cherished by the late Prime Minister, must be strengthened. "I agree with what you have said," Premier Hua replied.

Meeting With Thai Prime Minister. During his meeting with Thai Prime Minister Prem Tinsulanonda on July 9 in Tokyo, Premier Hua praised Thailand for her just stand in safeguarding independence and sovereignty against foreign aggression. He pointed out: "The Association of Southeast Asian Nations and most of the coun-



Premier Hua with President Carter in Tokyo.

tries in the world are on the side of Thailand."

When Prime Minister Prem said that the danger of a Vietnamese attack on Thailand still remains, Premier Hua said: "We shall continue to stand by Thailand."

Meeting With President Carter. Premier Hua and President Carter met for an hour on July 10 in Tokyo. The two leaders had a wide-ranging exchange of views on the current international situation and on issues of mutual concern. Among the issues discussed were recent developments threatening the peace and tranquillity of Southwest Asia and Indochina.

On Sino-U.S. relations, they agreed that these relations are developing and expanding satisfactorily.

Talking to Japanese reporters before his departure for home, Premier Hua said: "The normalization and development of Sino-U.S. relations and the development of friendly relations between China and Japan, West Europe and the third world countries are of great significance to world peace."

Meeting With Other Leaders. While in Tokyo, Premier Hua also met with Bangladesh President Ziaur Rahman, Austra-

lian Prime Minister Malcolm Fraser, Democratic Kampuchea's Deputy Prime Minister Ieng Sary and Foreign Minister of Sri Lanka A.C.S. Hameed on separate occasions. They exchanged views on international issues of common concern and bilateral relations.

Chinese Leaders Meet U.S. Senator Byrd

U.S. Senate Democratic Leader Robert Byrd and his party arrived in Beijing on July 6 for a nine-day friendly visit to China.

During his meeting with Senator Byrd on July 7, Premier Hua Guofeng paid tribute to him for his contributions to the promotion of Sino-U.S. relations and trade. They exchanged views on the furtherance of bilateral relations and the situation in Asia and other international issues.

Bilateral Relations. Speaking to Senator Byrd on July 8, Vice-Premier Zhao Ziyang said that Sino-U.S. relations have developed satisfactorily over the past year and a half. "However," he said, "the Chinese people feel strongly about the U.S. Government's handling of its relations with Taiwan and particularly its continued sales

of weapons to Taiwan."

He said that these actions of the U.S. Government "are incompatible with the principles outlined in the Communiqué on the Establishment of Diplomatic Relations Between China and the United States. They are likely to produce an unfavourable impact on the stability of the Asian-Pacific region. This is why we cannot help making a public reaction."

Zhao Ziyang said that the present international situation calls for stronger co-operation between China and the United States, and demands that no actions detrimental to Sino-U.S. friendship and co-operation will occur in the future.

"We are aware that a U.S. presidential candidate's statements unfavourable to Sino-U.S. relations were promptly refuted by you, Senator Byrd," Zhao Ziyang said. "We thank you for your fair and just remarks," he said.

Friendship and Co-operation Assured. At a press conference he gave on July 8 in Beijing, Senator Byrd said that the period of normalization of U.S.-Chinese relations has reached a broader juncture, with co-operation in large areas, and that there is no turning the clock back.

"Regardless how the presidential elections will turn out," he added, "there will still be the United States Senate, and there will still be an American public, both of which, according to the polls, according to all the indications that I've received as majority leader and as a U.S. Senator, clearly support continued and closer co-operation with the People's Republic of China. So we have crossed the Rubicon with respect to the normalization and we have burnt the bridge behind us."

Iranian-Soviet Relations

Teheran Heightens Vigilance

THE Iranian Government recently expelled Soviet diplomat Vladimir Golovanov, first secretary of the U.S.S.R. Embassy in Teheran, for espionage. He was caught in Teheran exchanging espionage documents with a foreign citizen. The Iranian Revolutionary Council later asked the Soviet Union to close one of its two consulates in Iran. This is seen as the Iranian Government's reply to stepped-up Soviet espionage activities in Iran.

Iranian Foreign Minister Sadegh Ghotbzadeh at a press conference charged Soviet diplomats with engaging in "numerous cases of wrongdoing" and causing Iran a lot of trouble. The Soviet Union and its agents in Iran were exploiting Iran's efforts in dealing with the United States to Moscow's advantage, he said.

These steps taken by the Iranian Government to defend the country's security show that the Iranian people are highly vigilant vis-a-vis their northern hegemonic neighbour.

The Real Threat. Iranian leaders have repeatedly stressed that the Soviet Union is the immediate and direct threat to Iran, and Iranian vigilance results directly from an analysis of reality.

After Iranian-American relations deteriorated, the Soviet Union hypocritically expressed sympathy and support for Iran, while all the time it assiduously sought opportunities to bring

Iran under its influence and further project its presence in Gulf affairs. After invading and occupying Afghanistan, it massed troops along Iran's northern border and along Iran's border with Afghanistan to threaten Iran from the north and the east. Should an opportunity present itself, Soviet troops are in a position to pour over the border to seize Teheran and Iran's oilfields. Furthermore, the Soviet Union is exploiting the situation inside Iran to infiltrate the country, foment discord among Iran's nationalities, carry on espionage and recruit agents. All this cannot be papered over by any amount of Russian rhetoric.

The world is well aware that Iran and Pakistan are next on Moscow's hit list after Afghanistan, and despite its large

smile and glib talk about "sincere friendship" and "good neighbourliness" to dazzle and benumb, Iran has not been persuaded to drop its guard. The Iranian Foreign Minister has publicly condemned the Soviet Union's aggression against Afghanistan more than once and demanded that all Soviet troops be withdrawn from Afghanistan, the earlier the better. On the question of security of the Persian Gulf, he made it quite clear that the Gulf should become a zone of peace, free of Soviet-American contention. As to the question of the American hostages, the Iranian Foreign Minister's disapproval of resorting to extreme measures has not made Moscow any happier. So it is not by chance that the Soviet media have recently begun to hurl abuses and charges against the Iranian Foreign Minister.

A Tsar Is a Tsar. The Kremlin is obviously continuing what the old tsars used to do against its smaller southern neighbour. It does not take a good memory to recall how tsarist Russia had hurled its armies south and east. It invaded Iran three times, in 1722-23, 1804 and 1826. It forced Iran through a number of unequal treaties to concede an area "equal to England," as Karl Marx noted in 1853, and it dictated to Iran, to a varying extent, politically, economically, militarily and diplomatically. It carved Iran up into two



After an aperitif — ?

Cartoon by Zheng Wenzhong

spheres of influence with imperial Britain in 1907 and was the prime factor behind the move to suppress the 1911 bourgeois democratic revolution of the Iranian people against imperialism and feudalism. The Iranian people do not have to

be reminded of all this, which is why they are today raising their vigilance against Moscow's ambitions to follow in the footsteps of the old tsars.

— "Beijing Review" news analyst Yu Pang

Oman's Defence Measures

THE Soviet invasion of Afghanistan and its southward thrust to the Persian Gulf have underlined the need for Oman to strengthen its defence and diplomatic efforts to safeguard its security and that of the region.

Oman has taken a clear-cut stand against hegemonism. It has openly denounced Moscow's aggression and expansion, maintaining that the Soviet strategic southward drive gravely threatens Oman and other Gulf states as well as the rest of the world. In February, Sultan Qaboos, Head of State of Oman, pointed out that Oman cannot face up to the Soviet threat by itself but must seek the help of Japan, the United States and Western Europe. To this end, Oman has taken a number of concrete steps.

On June 5, Oman concluded an agreement in principle with the United States to provide it with military facilities so that, in the event of a crisis in the Gulf region, the United States can use Omani military installations. In return, the United States will help re-equip Oman's armed forces.

When British Foreign Secretary Carrington visited Oman in mid-January, Britain agreed to provide Oman with more arms, including jet fighters, missiles and mine sweepers, to help it safeguard the strategic Strait of Hormuz. In February, when the Adviser to the Sultan

of Oman visited Tokyo, Japan expressed its readiness to play a role in contributing to peace and stability in the Middle East.

In March, French President d'Estaing visited Oman and the two sides stressed that Soviet intervention in Afghanistan was unacceptable to international law and expressed the hope of dialogue between the Gulf states and the European Economic Community. The two countries also signed six agreements on oil, atomic energy, agriculture co-operation, etc.

Oman also is paying greater attention to co-ordinating and improving relations with its neighbours in an effort to strengthen unity in the region. Since the beginning of the year, it has further strengthened its ties with Saudi Arabia, Sudan and Somalia. At the end of May, the Omani Minister of State for Foreign Affairs visited Iraq and the long-standing

tension between the two countries over a territorial dispute was relaxed. Oman also hopes that Iran and the United States will settle properly the hostage issue. Sultan Qaboos recently said that a powerful and stable Iran is to the interest of its neighbours and the region. The Omani Government has repeatedly proposed the formation of a joint armed force to safeguard the free flow of oil supplies. At present, Oman is co-ordinating military affairs with Saudi Arabia, Kuwait, Bahrain and the United Arab Emirates and is discussing the question of joint defence.

While bringing together forces to offset the Soviet menace, the Omani Government is strengthening its own national defence. In the past seven or eight years, Oman's G.N.P. has risen seven or eight times with a proportionate increase in its military expenditures. Today, defence spendings make up one-third of Oman's national budget. The Omani armed forces total nearly 20,000 and Sultan Qaboos acts as his own Minister of Defence. He has stressed the need for further training the armed forces and modernizing their arms and equipment.

— Ma Shikun

Behind Hanoi's "Urgent Request"

THE Vietnamese Foreign Ministry in a note on July 3 put forth an "urgent request" to the Chinese Foreign Ministry for the early holding of the third round of the talks between the Chinese and Vietnamese Vice-Foreign Ministers. Vietnamese Party and army newspapers printed commentaries claiming that Viet Nam has shown the "utmost goodwill" and that China and Viet

Nam "must resume negotiations at once in order to prevent further deterioration of the situation."

Here are some facts to show just how much "goodwill" the Vietnamese side has shown:

— Viet Nam has never ceased its armed harassment and provocations in the Sino-Vietnamese border areas. Recently, there has been an increase in the number of incidents in

which armed Vietnamese personnel have robbed Chinese border inhabitants of their property, razed their fields and woods, and houses. And they even wounded, killed and abducted Chinese inhabitants. These incidents have gravely endangered the lives and property of the Chinese inhabitants in the border areas.

— In the course of Vietnamese offensives in west Kampuchea, the Vietnamese authorities sent their troops over the border into Thailand and attacked villages, to gravely threaten the peace and security of Thailand and Southeast Asia as a whole.

Instead of showing any "goodwill" on the part of Hanoi, these events prove that the Vietnamese authorities continue to put their faith in brute force and, assured of the Kremlin's support, they adamantly pursue their policy of regional hegemonism and their anti-China policy.

In its June 23 note to the Vietnamese Foreign Ministry, the Chinese Foreign Ministry pointed out that the prevailing atmosphere is highly unfavourable to the holding of the third round of negotiations and, in view of a marked increase in the negative factors in bilateral relations today, resumption of negotiations is out of the question.

Then, why did the Vietnamese authorities think it desirable to publicize their "urgent request" for the reopening of Sino-Vietnamese talks? This is because:

1. Viet Nam has been roundly condemned by the international community for its incursion into Thailand. The ASEAN

countries declared in one voice that Viet Nam could not be trusted and they all agreed to break off their dialogue with Viet Nam. Consequently, Hanoi thought it a clever move to "urgently request" the early resumption of Sino-Vietnamese talks, to create the impression that it is "conciliatory" enough to want to improve its relations with neighbours through negotiations and hope to lessen the ostracism against it.

2. Hanoi also wants to use the Sino-Vietnamese talks to divert attention away from its military operations in the Thai-Kampuchean and Thai-Laos border areas to strengthen its colonial rule in Laos and Kampuchea and to pave the way for a further thrust into Southeast Asia.

3. Hanoi wants to use the talks with China to cover up the tension it is stirring up in the Sino-Vietnamese border areas. It said in its note of July 3 that there is an "explosive crisis" brought about by China and called for discussions with China of "emergency measures" to "ensure peace and stability

in the border areas." Obviously, it hopes to use the talks as a platform for anti-China propaganda and groundlessly accuse China of encroaching on Viet Nam.

The Chinese people want, as always, to see Viet Nam truly independent and prosperous and not see the Hanoi authorities slide into unbridled militarism. China wishes as before to have normal relations with Viet Nam and perseveres in seeking a solution through negotiations. In its note of June 23, the Chinese Foreign Ministry said: "As soon as a positive factor in favour of the talks emerges, even if it is a small one, the Chinese Government Delegation will go to Hanoi and hold the third round of talks with the Vietnamese side."

It is up to Hanoi to show the minimum of good faith required by ending its anti-China campaign and stopping its aggression and expansion. Only then will there be an atmosphere conducive to a reopening of the Sino-Vietnamese talks.

— *Xinhua Commentator*,
July 9

Hoang Van Hoan on His "Trial"

Afraid of the impact of Comrade Hoang Van Hoan's coming to China on the Vietnamese people and army, the Vietnamese authorities staged a "trial" on June 26 and "sentenced" Hoang Van Hoan to death. In an interview with a "Renmin Ribao" correspondent on July 9, Comrade Hoang Van Hoan gave his view of his "trial" by the Vietnamese authorities.

Question: We heard that Le

Duan and company brought the case of your coming to China before a court on June 26. Have you anything to say about it?

Answer: I have expected for a long time that Le Duan and company would put me on "trial." In my message to all my compatriots last August, I said: "I know that after my departure, Le Duan and company will impute to me various crimes and may even sentence me to death on a charge of high



Vice-Chairman Li Xiannian meets with Comrade Hoang Van Hoan (July 5).

treason. But as a revolutionary I have nothing to fear so long as my actions are in the interests of my country and my people."

The court of Le Duan and company has charged that my coming to China meant my joining the enemy's ranks. This is a base distortion. China is the best friend of the Vietnamese people. Over the past 30 years, she had given the Vietnamese people dozens of billions of U.S. dollars' worth of aid in their struggle for national salvation against the French, and then against the U.S. aggressors. During the war against the French aggressors, hundreds of Chinese cadres were in Viet Nam advising and fighting shoulder to shoulder with the Vietnamese people. During the war against the U.S. aggressors, hundreds of thousands of Chinese helped the Vietnamese people in construction in the rear. Several thousand of them lost their lives to U.S. bombing. Therefore, only those who are ungrateful would take China for their enemy.

As a matter of fact, since Le Duan and company usurped the

power of the Party and the state after President Ho Chi Minh's death, they have been pursuing a whole series of most reactionary domestic and foreign policies. After they adopted the anti-China resolution in 1978, in particular, they have shown themselves up to be a bunch of traitors to my country and flunkies of a foreign power, who have plunged my country into untold agony. To implement their reactionary policies, they have wantonly persecuted whoever is against them.

As a revolutionary who stands wholly opposed to them, I could not have played an active role if I had chosen to stay on in my country. The only

alternative was to leave my country and carry on the revolution. As far as I know, what I've said in the past year or so has produced a fairly wide and strong impact among the Vietnamese people and armed forces. That is why Le Duan and company, who are very afraid, have ordered the court to trump up this charge. To me, this means nothing. Their real aim is to bolster their own morale and use the "trial" to intimidate and crack down on those who oppose them. People who are against them are found everywhere, at home and abroad. Le Duan and company are today sitting on top of a volcano in my country. They are thrashing about, knowing the people will punish them.

Personally, I hold them in utter contempt and I repudiate them. Their trumped-up charges and slanders against me aren't worth anything. I am dedicated to the revolution now as before; I devote my all to the cause of building a truly peaceful, unified, independent, democratic and prosperous Viet Nam as President Ho Chi Minh had hoped to see. I am determined to do my best for the revival of the "comrade and brother" friendship between Viet Nam and China, and which Le Duan and company have so wilfully sabotaged.

India's Decision Deplored

THE Indian Government's decision to recognize the Vietnamese-installed puppet Heng Samrin regime in Kampuchea has been deplored by many countries in the world, particularly in Southeast Asia.

Strong Reaction. The foreign

ministers of the five ASEAN countries strongly criticized the Indian decision in a statement issued at the United Nations. "In view of the recent act of aggression by Viet Nam against Thailand and the incursion into Thai territory by Vietnamese forces, the timing of the Indian

move can well have serious implications on the tense situation and security interests of countries in the region," it said.

"The ASEAN member states stress that the Heng Samrin regime cannot be considered the legitimate government in Kampuchea" and "the condoning of such imposition may usher in a dangerous trend" of "foreign intervention," it pointed out.

The ASEAN countries all reaffirmed their stand on Kampuchea.

Japan and Sri Lanka also reaffirmed continued recognition of Democratic Kampuchea and the United States openly expressed regret over India's decision.

Non-Aligned Image Weakened. The press of many countries pointed out that the Indian action had weakened its non-aligned image. An editorial in the Thai paper *Nation Review* said: "With the act of recognizing the illegal government in Phnom Penh, the Indian Government has lost its long-established position of non-alignment absolutely."

The Yugoslav paper *Borba* pointed out in a commentary on July 10 that "the Indian step is incompatible with the efforts to resolve the Indochina crisis on the basis of the U.N. Charter and the basic principles of the non-aligned movement — people of all countries have the right to look after their own affairs free from outside interference. The Kampuchean question is characterized by the shocking military intervention and the founding of the puppet Heng Samrin regime which has been maintained in the past one and a half years by the might of 200,000 Vietnamese troops."

In its editorial, the British *Financial Times* said: "India's recognition of the Heng Samrin regime, like its initial defence of the Russian invasion of Afghanistan, is one of those blind spots of Mrs. Gandhi that she will later regret." It pointed out that this "marks a further weakening of India's stature among the non-aligned."

Relations With ASEAN Soured. The Singaporean daily *The Straits Times* pointed out in its lead editorial that "whatever the professed motives, clearly India prefers to disregard ASEAN's interest to play the Soviet card."

Malaysia's daily with the largest circulation, *New Straits Times*, described the Indian decision as "an unfriendly act that will sour Indo-ASEAN relations." "Where are those principles India had often enunciated?" it asked. The influential Indonesian daily, *Sinar Harapan*, urged President Suharto to postpone a proposed visit to India in view of India's recognition of the Vietnamese-installed Heng Samrin regime in Kampuchea.

Related to Soviet Aid. The Philippine *Daily Express* editorial declared that "in recognizing and opening diplomatic relations with the Heng Samrin regime, India clearly waved the Russian flag and in effect stifled all its previous initiatives in the non-alignment movement." In an editorial, the Thai paper *Bangkok Post* said that India's decision "has brought it into tighter alignment with the Soviet camp."

The Colombian paper *El Siglo* in a commentary pointed out that India's decision was related to "the arms aid that the Kremlin has provided to New Delhi, amounting to no less than 1,600 million U.S. dollars."

Opposed at Home. The Indian Government's decision has also been strongly opposed by opposition leaders in India. Former External Affairs Minister A.B. Vajpayee said that it was "not in consonance with [India's] pronounced policy of opposing the presence of foreign troops anywhere." S. Shahabuddin, secretary of the opposition Janata (People's) Party, said India's recognition of the Heng Samrin regime was ill-timed and ill-advised. He pointed out that the Indian decision "ignored the continued military presence of Viet Nam on Kampuchean soil and thus violates one of the basic tenets of non-alignment."

— Li Xinhua



"Big family's" little darling.
Cartoon by Fang Cheng

African Countries Promote Economic Development

MANY African countries have adopted measures to overcome their difficulties in economic development in the past year.

Laying Emphasis on Agricultural Development. Africa's grain shortage exceeds ten million tons annually. In 1979, African industrial output was only 0.6 per cent of the world's total. Twenty African countries have been listed as the world's poorest nations.

To overcome economic difficulties, some African countries have shown growing interest in developing agriculture, laying particular emphasis on raising grain production. In some African countries rich in oil and other mineral resources, agriculture has also been given high priority so as to change the situation in which the livelihood of the people is adversely affected because agriculture lags behind the level of the whole national economy.

In Nigeria, the biggest oil producer in Africa, a "green revolution" for developing agriculture was launched last year. The government has allocated huge sums of money to the states, demanding that each of them reclaim at least 4,000 hectares of farmland. The funds allocated by the government to the agricultural and co-operative banks in 1979 was 25 per cent more than in the previous year.

In Zambia, known as a big copper producer, a ten-year grain production campaign was launched throughout the country last May with the aim of achieving self-sufficiency in food and providing raw materials and funds for industry.

In the Congo, one of the oil exporting countries in Africa, a national unity fund was set up last year, mainly to develop animal husbandry and agriculture and build dwelling houses.

In Algeria, which relies mainly on oil and natural gas for its national income, a new five-year plan was passed in June, stressing the construction of water conservation projects and the improvement of the people's livelihood. The government will supply the peasants with 5,000 tractors this year, as many as the total number provided in the past ten years.

In Togo which produces phosphates, the grain output reached 1.2 million tons in 1979, an increase of 40,000 tons over the previous year, thanks to the importance attached to the development of agriculture.

Readjustment of Economic Policies. Some African countries have readjusted the economic policies which proved inadequate. The Sudanese Government has twice readjusted the public sector of its national economy. The Egyptian Government has adopted a new economic policy, cutting down the prices of 77 commodities, reducing tariffs, raising wages, abolishing the national defence and national security tax, setting up a "green revolution" fund, transforming the desert and increasing agricultural and sideline output.

Tanzania has recently adopted measures to help promote people's participation in the management of economy, raised the purchasing price of agricultural products, and established

a bonus system to encourage the peasants and workers to take an active part in production.

In Nigeria, Mali and Niger, contracts have been signed to link the state-owned economy with the individual economy of the peasants. Agricultural output has generally gone up by 100 per cent in regions where such contracts were signed.

Developing Economic Co-operation. By developing economic relations with West European countries and absorbing foreign investment and technology, African countries have built many projects of economic construction. They also have developed regional economic co-operation by making full use of the collective spirit of self-reliance. In the past year, such co-operation has grown in scale and scope. There were 11 summits on economic co-operation, and over 40 meetings and conferences on specific economic issues. A number of agreements on economic co-operation were signed.

Of special importance was the first O.A.U. economic summit meeting held in the Nigerian capital of Lagos last April. Leaders of some countries pointed out at the meeting that without economic independence, political independence is not complete or secure. The meeting adopted an economic action plan for the continent, which sets the targets for Africa in the next two decades. The participants believed that despite many difficulties in the way of development, African countries will definitely attain their goal by strengthening their co-operation.

— *Xinhua Correspondents Kuang Luan and Cai Guozhong*

One Step Back, Two Steps Forward

— Readjusting capital construction

by Our Correspondent Tian Yun

China began readjusting its national economy in 1979 in order to modernize its agriculture, industry, national defence, science and technology by the year 2000.

One major measure has been to cut back on capital construction.

The three articles in this special feature tell why and how this is being achieved, how construction of several big projects has been speeded up through readjustments and how changes have taken place in the building of a coal base.

Why Shorten the Front?

THE State Statistical Bureau has published the figures below following a year of readjustment in capital construction.

Construction of several hundred big and medium-sized projects and several thousand small ones were stopped or deferred in 1979.

Compared with the previous year, twenty-nine more large and medium-sized projects and 43 more separate units were completed and put into operation.

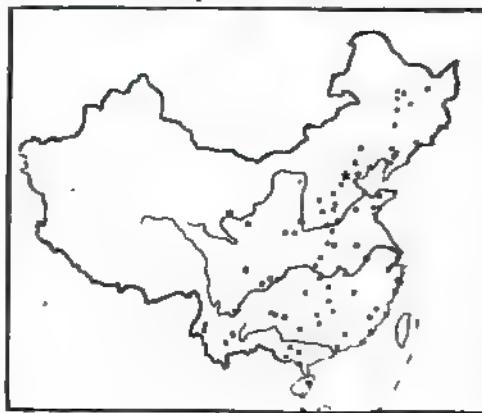
Fixed assets brought into use increased 17.4 per cent over the preceding year.

Investments in non-production construction having direct bearing on the improvement of the people's livelihood increased from 17.4 per cent of the total investment in 1978 to 27 per cent in 1979; whereas investments in production construction fell from 82.6 per cent of the total investment in 1978 to 73 per cent in 1979.

These figures show that the over-extended scale of capital construction has been shortened, investment results have improved and investment orientation has been changed.

It shows that readjusting capital construction does not mean bringing all construction projects to a stop or slowing the whole tempo of construction. Some construction projects were begun and others stopped:

Large and Medium-Sized Factories and Mines Completed in 1979



some were continued and some discontinued. One step back today for two steps forward tomorrow.

No More "Protracted Projects"

The Pingdingshan Chemical Fertilizer Plant in Henan Province was finally completed and went into trial-production in November 1979. Construction of this medium-sized project with a designed annual capacity of 60,000 tons of synthetic ammonia and 110,000 tons of urea was started in 1973 and scheduled to be completed in three years. Normally, this shouldn't be difficult. But by 1976, after three years, only a part of the project was completed. A lot of the equipment had not even been bought, let alone installed. Interference from the gang of four was very serious in those days and experienced leading cadres and engineers and technicians were ostracized and attacked, construction procedures and management systems were repudiated and even abolished outright. Serious shortages of funds, materials and equipment held up progress. Schedules were constantly upset. As no firm date was ever set for its completion,



A top tunnelling team at work.

work was dragged out and people began to dub it a "protracted project." It was old even before it got off the ground.

Experienced leading cadres and engineers and technicians were gradually reinstated and management was progressively improved after the gang of four was thrown out. But the shortage of funds and materials was more difficult to solve because capital construction in Henan Province was spread out on too wide a front.

In 1978, leading departments in Henan Province introduced drastic measures to complete this "protracted project." In the following year, the provincial bureau of chemical industry stopped or deferred the building of a number of small chemical works (total investments in each are generally below 8 million yuan) and ammonia water plants to concentrate on finishing three larger projects, including the Pingdingshan Chemical Fertilizer Plant, and 11 small fertilizer factories and had them all in operation within the year.

There are far too many "protracted projects" like the

Pingdingshan plant in the country. These have caused grave losses for many years running. Rising costs through endless construction delays and investments being poured in without an increment in production capability have led to incalculable losses and waste. To put a stop to this, capital construction projects must be trimmed. At the moment, projects under construction in various parts of the country are being scrutinized with a view to lopping off or deferring construction of the less urgent and those without the prerequisites

for completion, so as to be able to concentrate on key and urgent projects and have them completed and operating on time. That is known in China as "shortening the capital construction front."

More Haste, Less Speed

There are many reasons why China's capital construction front has been over-extended for so long.

First, during the ten chaotic years, interference by Lin Biao and the gang of four was extremely serious and the national economy was on the brink of collapse. This demolished at the base the necessary material conditions for capital construction. Moreover, the ultra-Left line they pushed negated the objective law of economic construction and unified state planning. In many places "prospecting, designing and constructing" were carried out simultaneously and projects not included in the state plan were started arbitrarily and the scale of capital construction was enlarged at will so that the number of "protracted projects" rose steadily. Anyone who ob-

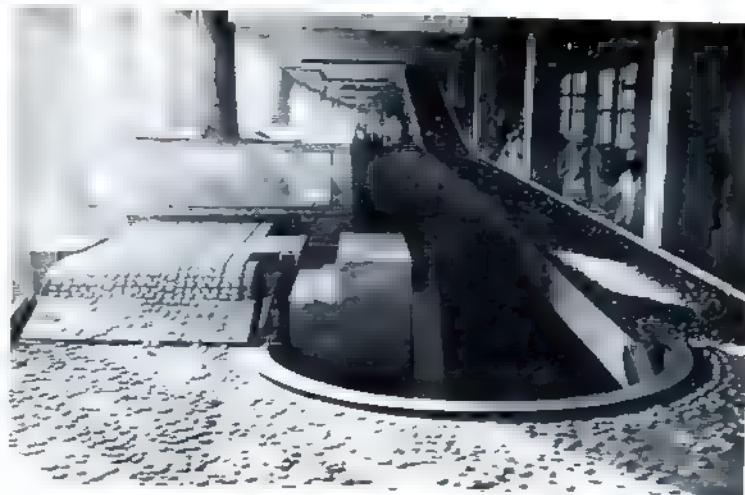


Tianqiao Power Station on the middle reaches of the Huanghe River.

jected was branded a "Right deviationist conservative."

Another major reason was inadequate experience, so there were flaws in the country's guidelines for economic work. For years, speed was stressed without regard to objective conditions and undue emphasis was given to developing heavy industry, enlarging the scale of capital construction and excessively raising the rate of accumulation. The result was an imbalance between accumulation and consumption, and the development of agriculture, light industry and the production of consumer goods and services were pushed aside. In addition, too much fund was being diverted into heavy industry, production construction and new enterprises but too little into agriculture, light industry, non-production construction and into upgrading existing enterprises. This led to an ever more serious disproportion between the different economic sectors and an ever growing scale in capital construction. Existing factories operated under capacity and the equipment of old plants could not be replaced.

Current readjustments in capital construction aim at cutting the scale of capital construction and readjusting the direction of investments. The principle now is to put production ahead of capital construction and upgrade existing enterprises ahead of building new ones, to speed up the development of agriculture and light industry and to strengthen the weak links in heavy industry. In addition, measures are being taken to appropriately arrange non-production construction, such as urban housing and public utilities, facilities for the development of science, culture and education.



The Beijing No. 1 Foodstuffs Factory's new, automated production line makes, bakes and packs 25,000 kg. of biscuits a day.

A third reason was that some local authorities incorrectly interpreted the policy of self-reliance as building up complete local economic systems and acted accordingly. For instance, when efforts were being centred on developing the iron and steel industries, even traditionally light industry areas and areas without coal and iron ore also went in for developing iron and steel industries in a big way so that some projects got started but could not be finished while others got to completion but could not go into operation.

Fourth, according to the current management in capital construction in China, construction funds and main materials are allocated without compensation by the state. Everything a state enterprise earns has to be handed over to the state while all expenditures are defrayed by the government. The enterprise has relatively no independence and bears no economic responsibility. Such being the case, localities and departments are usually eager to start more projects, striving to get more funds, more materials and equipment, but paying little heed to economic results. This was another reason for the ex-

cessive number of construction projects.

In short, the scale of construction exceeded the country's supply of manpower, money and materials, and too many projects were started at the same time, with the result that none of them were completed on schedule. This situation can be likened to a crowd trying to cross a bridge at the same time, jostling each other and no one getting across. If they went in an orderly manner, it would seem slower but they would actually be moving.

Lessons From History

In the last three years, people have freed themselves step by step from some rigid dogmas and summed up experience and drawn lessons. Does starting new projects mean pursuing a revolutionary line in socialist construction? Does doing what is possible and appropriately shortening the capital construction front mean pursuing a revisionist line? That was viewed as such by the gang of four and company several years ago. But practice has given a negative answer.

Since the founding of the People's Republic in 1949, China

has initially established a fairly complete industrial system. There are 350,000 industrial enterprises owned by the whole people with fixed assets amounting to 320,000 million yuan, equivalent to 25 times the fixed assets built up in the 100 years preceding liberation. The industrial output value created in 12 days in 1978 was equal to that for the whole of 1949. The proportion from industry in the aggregate industrial and agricultural output value went up from 30 per cent in 1949 to 74.4 per cent in 1978.

Capital construction, however, did not develop smoothly. It was a zigzag course with "two speed-ups and two slow-downs."

The First Five-Year Plan Period (1953-57). During this period the average accumulation rate was 24.2 per cent of the national income. The ratios between accumulation and consumption, between different economic sectors were fairly appropriate; the scale of construction was commensurate with the state's financial and material resources and attention was paid to investment results. This was why production developed fairly rapidly and the people's livelihood improved steadily. During this same period, over 10,000 industrial and mining enterprises, including 156 key projects, were completed; total industrial and agricultural output value increased 10.9 per cent, national income 8.9 per cent and workers' wages 7.4 per cent on an average each year.

The Second Five-Year Plan Period (1958-62). The average annual accumulation rate was 30.8 per cent, the average rate in the first three years being around 40 per cent. There was a serious imbalance between different economic sectors owing to the over-high accumulation rate plus many other fac-

tors. Total industrial and agricultural output value went up only 0.6 per cent while the national income dropped by an average of 3.1 per cent each year and people's living standards fell visibly.

The Three-Year Readjustment Period (1963-65). The accumulation rate was lowered to 22.7 per cent and capital construction projects were trimmed back. Agricultural development was restored and strengthened and a suitable ratio was arrived at between agriculture, the light industry and the heavy industry. This period was of a restorative nature, during which the serious imbalance between different economic sectors was rectified, so the average annual rise in the total industrial and agricultural output value in those three years was 15.7 per cent and national income 14.5 per cent. Living standards were improved rapidly.

The 1966-76 Period, Including the Third (1966-70) and the Fourth (1971-75) Five-Year Plan Periods. There was an upturn in the accumulation rate (hovering between 31 and 34 per cent in the 1970-76 period). But there were serious losses in production and little improvement in living standards as a result of political turmoil, mistakes in the guiding principles of economic planning plus interference and sabotage by Lin Biao and the gang of four. Between 1974-76, there was a loss of an estimated 100,000 million yuan in total industrial output value, 28 million tons of steel and 40,000 million yuan in revenue. Prior to the overthrow of the gang of four in October 1976, the national economy was about to collapse.

Beginning in 1977, the national economy revived and developed and a start has been made to solve the many problems relating to the people's

livelihood. But owing to an excess zeal to bring about socialist modernization and underestimation of the seriousness of the imbalance between different economic sectors resulting from the ten chaotic years of sabotage and from mistakes in work over many years, investments in capital construction went up in 1977 and in 1978. The accumulation rate in 1978 reached 36.6 per cent. The gravity of the imbalance between different economic sectors was not eased at all.

The experience of the "two speed-ups and two slow-downs" proves that the accumulation rate is determined by the existing level of production. Setting the accumulation rate down today at about 25 per cent will achieve high speeds in developing economic sectors in a proportionate and co-ordinated way. Higher accumulation rates will retard development or even lead to retrogression.

A Fruitful Year

It isn't easy to shorten the capital construction front. First, there are ideological obstacles. Some people underestimate the seriousness of the imbalance between different economic sectors; some, in principle, favour the idea of doing what is possible, but stress the needs of their own units or departments and are loath to stop their construction projects. Second, reforming the managerial system which had shaped up over a long period of time requires study and experimenting and reforms cannot be popularized in all fields in a short period of time. However, facts are most convincing. Past experience shows that the idea of doing what is possible is becoming more widely accepted and grasped. Despite the fact that there are too many big and

medium-sized projects still under construction throughout the country and a huge effort is still required to shorten the front, much was achieved in readjusting the national economy last year.

During 1979, some of the big and medium projects were stopped or deferred while construction of key, urgent projects was speeded up. A total of 128 big and medium projects and 340 separate units were completed and put into operation. Production capacity added was larger than that of the previous year. Light industrial production which developed slowly for a long time and which is closely tied to living standards grew 9.6 per cent, faster than the 7.7 per cent growth rate for heavy industry. Weak links in heavy industry, such as coal, electric power, petroleum and building materials industries, were strengthened. Newly increased production capacity included coal, 13.93 million tons; generating capacity, 4.65 million kilowatts; crude oil, 8 million tons; natural gas, 1,830 million cubic metres; and cement, 2.74 million tons. More than 62 million square metres of housing in urban areas and industrial and mining areas were completed, a 66 per cent increase over the previous year, the highest figure ever attained in China.

Reforms in capital construction management in test cases and restructuring and consolidating enterprises are beginning to bring results. Savings in investments were made in test cases which were given funds in the form of bank loans instead of outright grants from the state. In capital construction, attention is being paid to the pre-construction preparations, such as prospecting and designing. In many projects principal

technical and economic indexes were raised. Theoretical and practical workers started extensive and thorough investigations and studies into many major problems in capital construction and put forward many constructive views and suggestions.

A big step was taken last year in adjusting the ratio between accumulation and consumption, industry and agriculture, light industry and heavy industry, and in improving the relationship between the state, the collective and the individuals. This played an effective role in raising the living standards of the people and mobilizing their initiative. Total industrial and agricultural output value went up 8.5 per cent over the previous year to overfulfil state plans.

Blazing a New Trail

China is seeking a new road to bring about socialist modernization. People are seeing ever more clearly that the best of intentions and enthusiasm are not enough; construction must correspond to objective economic laws. Some novel ideas have emerged as readjustments to the national economy proceed. Many localities and departments have begun to apply these ideas and have achieved visible results.

Exploit Strong Points. China's assets are: vast territory, a large population, abundant manpower and natural resources. Its liabilities are: backward production techniques and limited funds. From these specific features, we should set up more enterprises that can absorb more manpower, need less investments and give better economic returns, and have fewer enterprises that employ fewer people, need more investments and give poorer economic results. Technically, we should not pursue full mechanization, but should allow mechanization, semi-mechanization and manual operations to exist side by side for some time to come.

This should also apply to a province or a locality. For instance, north China's Shanxi Province which has a third of the country's proven total of coal deposits should be developed into a powerful energy base. East China's Zhejiang Province is traditionally a light industrial centre and has abundant and diverse farm produce for raw materials, a diversity of non-metallic minerals and rich water resources. It has everything in its favour to develop light and textile industries, building materials industry and power industry. Similarly, south China's Guangdong and Guangxi and coastal Fujian Province



Workers' new residential quarters in Yichang, Hubei Province.

have the climate and soil to cultivate sugar cane, rubber trees, pineapples and other subtropical crops. They should develop a sugar-refining industry, rubber industry and other industries using subtropical cash crops as

raw materials. In a word, capital construction planning in the future should be based on the idea of establishing a rational economic structure so as to obtain the best economic results.

policy, 23 units of the project which are not necessarily indispensable have been lopped off so as to guarantee completion in time of the principal components of the project and in the process cut back investment.

Use Resources Where Needed

CONSTRUCTION of some projects have been stopped or suspended to concentrate manpower, materials and funds on the building of key and urgent projects. This is "putting steel on the cutting edge," and is shown how it has been done with good results in several key projects.

Gezhouba Hydropower Station

The Gezhouba Hydropower Station, the biggest undertaken in China, is on the middle reaches of the Changjiang (Yangtze) River in Hubei Province. Last year, overall first-

stage engineering neared completion, with its principal units beating the schedule by a year. This was the result of greater help from all over the country and the efforts of the builders themselves.

The 70-metre-high dam will be 2,561 metres in length when completed. At the moment, 1,600 metres have already been completed, as well as two locks, one of which takes 10,000-ton-class ships, a sand sluice, a reinforcing dam and a discharge sluice with 36 piers, each as tall as a 12-storey building. There will be two generator houses with an installed generating capacity of 2.715 million kw. to produce 13,800 million kwh. of electricity a year. Preparations are under way to install the first set of generators with a capacity of 170,000 kw.

In line with the readjustment

The builders at present are trying their best to throttle the river by the end of this year and start generating electricity and opening this section of the river to traffic again by the end of 1981.

Nanjing Transmit Oil Terminal

The Nanjing transmit oil terminal in Yizheng County on the northern bank of the Changjiang River is designed to handle 15 million tons of oil a year. Crude oil from the Renqiu Oilfield in Hebei Province and the Shengli Oilfield in Shandong Province, carried through the Shandong-Nanjing pipeline, reaches Yizheng to be shipped by tankers to the refineries in Nanjing, Anqing, Jiujiang and Wuhan further up the river.

Construction of the oil port was started in early 1977. It has six wharves for tankers, three work-boat berths, a water-supply wharf and 12,900 me-



At work on the Gezhouba Water Conservancy Project.



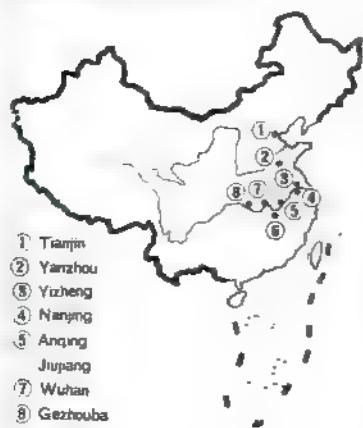
Yizheng Station at the terminal of the Shandong-Nanjing pipeline.

tres of pipelines. The six tanker wharves and ancillary projects supplying power, heat and gas and telecommunication services had gone into operation prior to November last year and the port has already earned 20 million yuan for the state.

A tanker ship washing equipment is being built. When it is completed next year, oil wastes will be recycled for use.

Tianjin Petrochemical Fibre Plant

Construction of the Tianjin Petrochemical Fibre Plant is going ahead fairly rapidly. The quality of work is good because of adequate investment,



undiversified line of goods, as well as the experience of the Shanghai Petrochemical Complex and Liaoyang Petrochemical Fibre Complex to draw upon.

Building of this plant with a designed annual capacity of 80,000 tons of polyester fibres started in June 1977. By the end of 1979, three and a half of the five units making polyester fibres had been installed. All five units are scheduled for trial runs this winter and the complex will go into production in 1981.



Tianjin Petrochemical Fibre Plant under construction.

The large chemical fibre complexes in Tianjin, Shanghai, Liaoyang in northeast China and Sichuan in southwest China were all designated key projects by the state in the 70s. Most of the principal equipment were imported from Japan, France, West Germany and Italy. First-stage preparations for the Jinshan complex in Shanghai began in June 1972, and in June 1978 it was already in pro-

duction. The Liaoyang and Sichuan complexes should be in operation before the end of this year. When all four go into operation, the production of raw material for chemical fibres will be doubled, equivalent to an increase of 350,000 tons of cotton each year. This will help change the natural/artificial fibre ratio in the textile industry and better meet the needs of the people.

Changes on a Construction Site

THE Yanzhou coalfield being opened up is on the plain in Shandong Province's southwestern part, halfway on the railway trunk line between Beijing and Shanghai. On the construction site which covers 300 square kilometres, tall pithead frames rise high over the serried rows of factory and dormitory buildings, hospitals and schools. Freight trains and trucks bring equipment and material in over the new railway and highways and move coal out.

In the course of readjusting the national economy, the energy industry is one of the sectors that is being strengthened, for energy and transport are

vanguards in economic construction. In this country coal will continue to be the major source of energy for a considerable time to come. Yanzhou is one of the new major coal base areas being built and over 2.5 million tons of coal were brought up from its three pits in Nantun, Beisu and Tangcun last year. Work is under way, engaging a work force of some 20,000 men, to have the Xinglongzhuang Pit (3 million tons a year) producing by next June, while tunnelling is being vigorously pushed ahead in the Baodian Pit (3 million tons a year) and shafts are being sunk in the Dongtan Pit (4 million tons a year).

Down-to-Earth Work

"Everything we've been assigned to do down below has been solid, painstaking work," said Wu Qingxiang, the 55-year-old Party secretary of an engineering section, recalling what they had done over the last dozen months. "It used to take us four to five years to build a 600,000-ton-a-year pit. This time it took us only a little over six years to get a 3-million tonner. You can't go on using old methods; you've got to use science and technology." The Party secretary who had started working down in the mines when he was 16 had gone through a technical course last year with other cadres. He had led a team of workers and technicians several times to a nearby mine to learn a new way to prop tunnels. Popularization of the new technique and adoption of some effective measures pushed tunnelling to 11,600 metres last year. Wu said: "The state has cut back other projects to let major ones like ours go ahead. As the country is crying for coal, we just couldn't feel at ease if our rich coal resources were not dug out."

Wu spoke about the never-

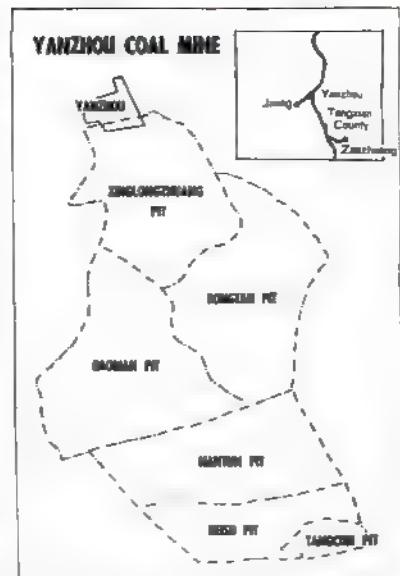
ending political movements during those ten chaotic years and how people weren't allowed to go ahead with their work and make a good job of it. Then towards the end of 1978, the Party Central Committee decided to shift the focus of the Party's work onto modernization. The response in Yanzhou was tremendous. Responsible members at various levels quickly brought endless meetings and political movements to a halt and turned their attention and energies to production instead. This represented a big change in the coal mine.

From 1979 on, every leading member of the engineering command has been assigned specific areas of responsibility. Most of their time is spent on the work-site so as to be there whenever trouble crops up. They would come back to command post, helmeted and still in their overalls, to report, exchange news and views, make decisions together and then go back to join the men.

Concentrating Forces

"Concentrating a superior force to fight a battle of annihilation" is a military axiom

YANZHOU COAL MINE



of Chairman Mao's that has been applied to the capital construction front. Unfortunately, for a great many years, "concentrating" was on everyone's lips but seldom ever really carried out. This has been changed in Yanzhou and "concentrating a superior force" to get a specific task completed is now being done fairly effectively.

When construction of the mine began in 1971, there were shortages of investment, and manpower and materials, and the equipment was rather backward. The work-site engineering command very practically decided to concentrate their limited resources on building the smaller Nantun and Beisu Pits and an auxiliary plant of the Tangcun Pit. This was quite within their ability. Their doing what was possible and within their means instead of spreading their resources thinly over a wide front helped keep down the losses caused during the political upheavals. All three pits were completed before 1977. During that time, preparatory work to build larger pits was also carried on. As their resources built up step by step, work was started on the



Training mining technicians.

Xinglongzhuang Pit in 1975, the Baodian Pit in 1977 and the Dongtan Pit in 1979.

The state stopped or delayed work on a number of projects last year to concentrate on such key projects as Yanzhou. With more funds, skilled workers, material and equipment being diverted to Yanzhou, the mine developed rapidly and steadily, raising its annual 6 million tons to 10 million tons last year. Equally important, the quality of work was up to standard in all aspects.

Stress on Technological Skills

Another big improvement was the introduction of new technical processes and a greater degree of mechanization.

Engineer Liu Peihou took me down the Xinglongzhuang Pit 400 metres under the ground. Some 35,000 of the 49,000 metres of tunnels had been completed by the end of last year. Dug from both ends, the two sectors of the horizontal main tunnel joined up last November only 32 mm. off centre. This accuracy was obtained by the use of laser technology.

"If we'd continued to line like that," Liu said, pointing to walls of the tunnel near the shaft opening lined with stone squares each weighing 30 to 40 kilogrammes, "it would have taken us an extra couple of years to finish tunnelling here." Further into the shaft, stone gave way to concrete. Liu told me that in 1978 they had used a laser direction-finder and smooth blasting. They drove steel pegs deep into the walls, wove a mesh of steel rods and then sprayed a 10-cm. layer of cement over the walls. These were some of the new techniques that were employed when they drove the tunnel in this pit. It raised labour efficiency several-fold. The



Inside the Xinglongzhuang Pit.

workers got the hang of the new method metre by metre, and lining growing smoother as we went along the tunnel testified to their mastery of the new technique.

The builders who came from all over the country threw themselves into the emulation drive, and the winners were always those who were the first to employ new techniques. Sinking a vertical shaft made up only 4 to 5 per cent of the total work of a project, but as much as 30-40 per cent of the total time was spent digging it, which was why people were always trying to shorten the time digging the shaft. It took 30 months to sink the main shaft at Xinglongzhuang, 407 metres deep, but new techniques shortened the time to dig the 474-metre main shaft at Baodian to a mere 19 months.

The technical staff who were discriminated against during the decade of chaos are again trusted and given proper attention and are energetically employing their skills to build socialism. Over the past three years, the Yanzhou Coal Mine has appointed 134 people to engineering posts and they are helping the workers to master various kinds of new production skills. When the chief engineer Wang Qinglin retired in 1978, Hu Dequan was

appointed to take his place. Hu, now 47, is a 1954 graduate of the Xibei Engineering Institute. He and Wang before him played a big role in the smooth development of the Yanzhou project which project went ahead rapidly and without any major technical hitch.

More Work, More Pay

The Yanzhou Coal Mine is beginning to pay attention to management, linking speedy construction with the material interests of the workers and staff. A system of bonuses and awards and implementation of the socialist policy of distribution according to work done, with more pay for more work, have made people much more responsible, and the phenomenon of making no distinction between workers and shirkers, between fine and sloppy work, has basically been eliminated.

The above work had to be done carefully. In carrying out moral encouragement and political education among the workers, the Yanzhou Coal Mine also instituted a system of rewards and punishments on the basis of the experience gained in pilot units. This has speeded up construction work, cut cost and increased the income of employees.



Installing a large winder for a staple shaft.

Some cadres at first erroneously thought that bonuses were very effective in bringing the workers' initiative into full play and therefore relaxed their efforts to do political work. This bred a tendency to work rapidly without ensuring quality. This was quickly taken in hand and attention was paid to ideological education. Today, political work is carefully planned and carried out in conjunction with a system of quality checks.

The policy of more pay for more work and the bonus system are playing a positive role. In 1979, a piece work system practised among tunnellers raised average labour efficiency 18.4 per cent. Installation in the auxiliary shaft of the Xinglongzhuang Pit took about 10,000 workdays less and labour efficiency was up 50 per cent. Workers are getting an extra 20 yuan a month per person, which is adding something like 25 per cent more to their monthly pay packet. People are pleased and proud to be doing more and getting more pay. Income reflects one's contribution to the four modernizations, they said.

Unsolved Problems

The Xinglongzhuang Pit with a designed annual capacity of 3 million tons of coal will start producing in the first half of

next year, after a little more than six years' efforts. Builders there are working hard to keep to schedule. Whoever visits Xinglongzhuang comes out with firm conviction that this is the surest way to bring about the four modernizations.

However, the mine's engineering command see clearly that there are still many problems.

As chief engineer Hu Dequan said: "First, we've changed from mechanical to hydraulic drive, from operating machines to automation. We are familiar with the former but we still lack knowledge and experience with the latter. Second, the technical level of the workers is generally low, handicapped by their general low level of education. We must raise the overall technical proficiency by running training courses, making full use of the technical services provided by foreign companies and through a lot of studying by oneself." Looking ahead, Hu declared confidently: "The Yanzhou-Jining-Zaoteng area is one huge area of coal. We are mapping out a long-term plan for its exploitation. We're sure this coal base area will develop better and faster after all the readjustments are made." □

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● More TV Viewers

About one million TV sets were produced in China in the first six months of this year, more than double the figure for the corresponding period of last year. The target for this year is 2 million sets, as against 1.3 million last year.

Television viewers are estimated to be about 30 million in China. The increasing number of TV sets and telecast over an ever larger area have made television an important part of city life.

In Beijing, one-third of the families have television sets. In Shanghai, there is on the average one set for every 4.2 households. In Guangdong, Fujian, Jiangsu and other coastal provinces, the number of households having TV sets is increasing. People may also watch television in their work units or neighbourhood centres.

In those rural areas where the living standards are fairly high, more and more production teams now have TV sets as collective property. Taken as a whole, however, it is still a luxury to have a TV set in the

countryside, where over 80 per cent of the Chinese people live.

China's comparably young TV industry has been developing rapidly in the last few years. As the number of TV viewers keeps increasing, efforts are being made to offer more diversified and better programmes.

Since China Central Television (C.C.T.V.) began transmitting international news through satellite on April 1, it immediately became one of the most popular programmes linking Chinese viewers more closely with the rest of the world.

Television universities have 600,000 students all over China. The courses offered range from foreign languages to enterprise management and radio engineering, attracting millions of eager learners every day.

Other special TV programmes include literature, hygiene and health, sports and science and technology. Arranged and given in a lively and interesting way, they help the viewers gain more

knowledge about science and culture.

Television programmes are becoming more entertaining than before. More telefilms are being made, while Chinese and foreign films and stage performances are frequently telecast.

● Services for the Retired

Trade unions in some 70 per cent of Beijing's factories have set up special committees to take care of their retired workers and cadres.

The committees are responsible for organizing the retired workers to study current events and the Party's principles and policies, to hand out retirement pensions, to distribute relief funds to those who have difficulties and to make funeral arrangements.

The committees are usually headed by one or two cadres from the trade unions or from the factories' administrations. Some retired workers interested in this work are asked to take part as well.

Committee members pay regular visits to the homes of retired workers to see how they are doing. During major festivals, they accompany factory leaders on visits to retired workers, conveying their holiday greetings and presenting them with small gifts.

The Beijing Sub-Bureau of Railways found during these visits that among a total of 8,100 retired workers, 118 were having difficulties. As a result they distributed 2,890 yuan to help them out.

Last year, the Beijing No. 5 Building Company built houses



Commune members in a village in northeast China's Liaoning Province watching TV.

People in the News



Hou Baolin (left) accepting an appointment to teach in Beijing University.

liberation, could become a professor."

Cross-talk, also called the "art of language," is a humorous stage monologue or dialogue, which is popular throughout China.

Hou Baolin performed for 50 years before his retirement in June of 1979. His free and agile style and his witty and humorous use of language won him countrywide fame. The late Chairman Mao Zedong and Premier Zhou Enlai were among those who appreciated his skill. He developed hundreds of stage routines, many of which were banned during the Cultural Revolution.

Though Hou Baolin received little formal education in his youth, he was able to develop his routines through self-study. He became well-versed in different Chinese dialects which he used in hilarious sketches showing how much confusion language can create.

Beijing University has a tradition of teaching folk literature and *quyi* which encompasses cross-talk, ballad singing and story telling.

Hou Baolin has given lectures on the origin and development of cross-talk to Chinese and foreign students at the university, and has also lectured at other universities.

He has devoted much time to writing since his retirement, and has completed a dozen essays and two books on *quyi* and cross-talk. Now he is planning a two-volume history of cross-talk.

for single retired workers and retired workers without children.

In 1979, the total number of retired workers and cadres in Beijing was 116,000. In China, the retirement age for male workers is 60 and for female workers, 50. Workers who work underground, high above the ground or in high temperatures may retire five years earlier.

The government encourages those workers who have reach-

Hou Baolin, renowned performer of the traditional Chinese art of cross-talk, was recently appointed a part-time professor in the Chinese language and literature department of Beijing University.

Hou Baolin, 64, who is vice-chairman of the Chinese Ballad Singers' Association, told reporters: "Never did I dream that an ordinary performer like me, who had to roam in the streets before

liberation, could become a professor."

ment gives every worker 150 yuan. Last year, 20,000 retired workers wanted to go back to the countryside and each of them received 300 yuan from the state to cover the cost of settling in a new place.

Some retired workers with professional skills have been invited to be advisers in workshops set up by educated youth.

● Taiwan Fishermen Leave Hangzhou For Home

Nine Taiwan fishermen left Hangzhou recently for home after their damaged fishing boat had been repaired.

On June 1, the *Zengchang* No. 1 fishing boat collided with a fishing boat from the mainland near the Zhoushan Islands because of poor visibility in a storm. The boat was damaged, but nobody was injured.

During their stay in Hangzhou, the Taiwan fishermen were invited to visit places of interest, including the picturesque West Lake, the Yue Fei Tomb and the Xinanjiang Hydroelectric Power Station.

Their fishing boat was repaired free of charge. They estimated the cost for such repairs in Taiwan would have amounted to more than 300,000 Taiwan yuan.

ed the retirement age to retire and enjoy their late years. This, in turn, enables factories to take in more young workers. It is stipulated that an offspring of a retired worker is entitled to a job at the same factory.

Retired workers receive 70 to 90 per cent of their wages as retirement pensions and they also enjoy free medical care.

Most of the retired workers live with their families in the cities. In this case, the govern-



SPORTS

Guangzhou International Football Tournament

West Germany won the Guangzhou International Football Tournament after defeating China 6:4 in the finals. The game was decided by overtime goal-shooting as the two teams were deadlocked at 2:2 after extra time.

The West German National Youth Team was the most polished of the seven teams in the tournament and was heavily favoured to win the finals. But the Chinese National Team played a swift and tactical game and held the Germans to a draw after 120 minutes of exciting football.

After 31 minutes of play in the first half, Rudolf Voeller centred a ball from near the goal line which Pierre Littbarski headed into the net to open the score. Six minutes later a Chinese back, Chi Shangbin, equalized the score by a snappy shot at goal. Then Pierre Littbarski again scored from a penalty kick awarded when a

Chinese player fouled in the penalty area. So West Germany led 2:1 at half time.

A brilliant kick by Li Fubao 15 minutes after the second half started equalized the score. It was a well-angled passing shot beyond the reach of the German goalkeeper.

After extended time, the score was still two-all. So the match had to be decided by shooting five penalty shots each. The German team showed greater accuracy and better goalkeeping by scoring four goals against China's two.

The excellent performances of both teams drew round after round of applause from the 30,000 spectators.

Sixteen exciting matches were played during the two-week tournament which ended successfully on June 21. The Romanian Bacau Sports Club came in third, the Mexican National Amateur Team fourth, the Guangdong Team fifth, the Japan National Team sixth and the Xianggang (Hongkong) team seventh.

The West German National Youth Team is the third ranking team in West Germany, a nation known to be one of the strongest in football in the world. It is characterized by fine physique, fast speed, skilful playing and good sportsmanship. Different styles of play were evident at the tournament as teams from various parts of the world showed their strength and their particular skills. Chinese teams gained experience in dealing with the different tactics and greatly benefited from the tournament. However, China still has a long way to go to catch up with the world's best

MEDICINE

"Qigong" Therapy

The Qingdao Hospital of Traditional Chinese Medicine in Shandong Province and electronics experts of Beijing have devised a number of bionic devices to record, retain and release emissions given off by veteran practitioners of qigong, an ancient system of exercises for attaining bodily and mental control and well-being.

The emissions taken down on tape and being played back to patients as infra-red signals stimulate the patients' own powers of recuperation.

The hospital reported that 113 of the 159 patients treated for high blood pressure in this way showed marked improvement.

Qigong, a discipline of mental concentration, breath control and exercises, has a history of about 3,000 years. In traditional Chinese medicine it is regarded as a health science. Since 1978 science magazines have been carrying articles stating that it has been scientifically established that a qigong therapist can emit some kind of waves from his palms or fingers when he concentrates on bringing it about.

The phenomenon has been identified as infra-red rays, static electricity, and changes of magnetic field. They can be taken down on a tape and later played back as infra-red rays and directed onto certain acupuncture points of a patient to obtain a desired therapeutic result.

According to Liu Jianhua, the president of the newly established Qigong Society of Bei-



The final match between the Chinese National Team and the West German National Youth Team.

jing, patients suffering from neurasthenia, bronchitis and coronary diseases have all benefited from treatment with qigong machines.

He said: "The main advantage of the qigong machine over other means of infra-red treatment is that the impulses emitted by the qigong therapist are weaker, and the instrument is applied to a specific point rather than irradiating a whole area of the body. Therefore it is more suitable for weaker patients."

He said that the society is pushing ahead with its study of the potential and applications of qigong. Members include physicists, chemists, medical scientists and electronics experts.

ARCHAEOLOGY

Ancient Cliff Carvings In Inner Mongolia

Intrigued by a record written 1,500 years ago, archaeologist Ge Shanlin retraced the route taken by the ancient geographer Li Daoyuan (466 or 472-527 A.D.) and rediscovered thousands of cliff carvings in the western section of the Yinshan Mountains, Inner Mongolia.

Results of his four-year study (1976-79) of these pictorial carvings by ancient nomadic tribes are now being written up into a book.

In Li Daoyuan's book *Shui Jing Zhu* (Commentary on the Waterways Classic), he said that a number of motifs of tigers and horses and footprints of deer and horses carved on the rock predated the Northern Wei Dynasty (386-534 A.D.).

Over 1,000 rubbings were taken of the cliff carvings showing the history, economic conditions, world outlook and aesthetic views of some northern nomadic tribes in ancient China.

The carvings were done on precipitous cliffs, on the steep sides of ravines or on huge rocks on mountain peaks. Some were done with stone tools, others chiselled with bronze or iron tools. Most of the pictorial representations on rock are still in a fine state.

The motifs include wild beasts living at that time, such as wild oxen, deer, goats and wolves, tigers, leopards and foxes and such domesticated animals as sheep, horses and oxen. Scenes of primitive men hunting in a group, various dances, wars, deities, planets, primitive numerals, mystic symbols, vehicles and felt yurts were also found.

The golden age of the Yinshan mountain cliff carvings corresponds to the period running from the Warring States Period (475-221 B.C.) to the Western Han Dynasty (206 B.C.-24 A.D.) in inland China. They were done by the Xiongnus (known as Huns), a minority nationality in north China. Many depict deer in various postures, stylistically identical to the bronze deer made by the Xiongnus found on the Ordos Plateau in southern Inner Mongolia.



Dancing.

Cliff carvings in the style of a Tuju (Turkic) nationality run from the fourth to the early tenth century. The features of some goat motifs are similar to the cliff pictures of wild goats carved in typical Turkic style in a tablet of the Tang Dynasty (618-907) unearthed in the People's Republic of Mongolia. A Turkic celestial god carved on a huge rock below the Han Ul peak bearing two inscribed Chinese characters "Great Tang" makes a positive date possible.

Another group of cliff carvings of later periods was done by Mongolians, Huihus (ancient Uygurs) and Dangxiangs (known as Tanguts, a branch of the nomadic Qiang people related to the Tibetans). The Dangxiangs had created an independent kingdom in the 11th and 12th centuries known as the Western Xia Dynasty. Identity of the carvers was established by an inscription in the script of the Western Xia Dynasty found on a carving of some animals. Pictures of grindstones and animals and writing in the Western Xia script were carved on rocks nearby. There were also dates given in Mongolian script found on a stone cliff.



Hunting.

A number of the cliff carvings overlapped and sometimes new and old ones existed side by side. As the colouring, skill of execution and style are different, it is possible to place each work in their chronological order.

HISTORY

Research on Mongolian Philosophy

The Chinese Academy of Social Sciences has inaugurated a study of the history of Mongolian philosophical thought.

The Institute of Philosophy under the Academy of Social Sciences of Inner Mongolian Autonomous Region was given the task of conducting the study and compiling books on the history of Mongolian philosophical and social thoughts. There are several hundred documents and books on hand serving as sources of information written by Mongolian authors in the Mongolian, Han, Tibetan and other languages. An editorial committee has been founded, enlisting under it mostly Mongolian researchers.

A programme for academic research into the philosophical thought of China's minority nationalities was decided upon at a conference held in May last year. It is part of an eight-year programme of philosophical research in the country.

Scholars in the fields of history and philosophy see China as a multi-national country with a brilliant ancient civilization. Its long history and splendid culture were created by all the nationalities, therefore, philosophical research must encompass the ideas and history of all the minority people.

Meanwhile, a society of Daur history, language and literature was founded in Inner Mongolia. In China there are about 100,000 Daur living in Inner Mongolia, Heilongjiang Province in northeast China, and the Xinjiang Uygur Autonomous Region in the northwest. Their language has not been put into written form, though linguistics experts

have devised a draft scheme for this.

The Daur are said to be descendants of the Qidans, a nationality that lived in ancient China. In the mid-17th century the Qidans courageously resisted tsarist aggression against China and made great contributions to the defence of the country's northern border.

CULTURAL RELICS

Tomb of Matteo Ricci Renovated

The tomb of Matteo Ricci, an Italian Jesuit missionary and scholar who came to China in the 16th century to introduce Western culture and Christian teaching, was repaired recently in Beijing.

Situated in West City District of Beijing, the tombstone was damaged early in the Cultural Revolution. Now on the decision of the people's government, it has been restored. It is engraved with two coiled dragons at the top and delicate flower patterns on all sides. An inscription in both Chinese and Latin reads: "Tomb of Rev. Ricci of the Society of Jesus."

Born in Italy in 1552, Matteo Ricci came to south China in 1580 and began to learn the Chinese language and acquire a knowledge of ancient Chinese culture. After residing in south China for 19 years, he moved to Beijing in 1601, where he resided for the rest of his life.

Upon his arrival in Beijing, Ricci presented Emperor Wan Li of the Ming Dynasty with a portrait of Jesus, a map of the world, clocks and string musical instruments. The Emperor gave Ricci a house inside the Xuanwu Gate.

Ricci frequently exchanged ideas with Chinese scientists

when he was in Beijing. For example, he co-operated with Li Zhizao and Xu Guangqi in compiling and translating many works on mathematics. *Basic Geometry*, one of these works, was printed in 1607 and had a great impact on the development of Chinese science and technology. A copy of this edition is now preserved in the Beijing Library.

Matteo Ricci wrote about 20 books, mostly in Chinese, which introduced to the Chinese people the most advanced knowledge of that time on astronomy, geography and mathematics. He also translated China's *Four Books* (*The Great Learning*, *The Doctrine of the Mean*, *Analects* and *Mencius*) and *Five Classics* (*The Book of Songs*, *The Book of History*, *The Book of Changes*, *The Book of Rites* and *The Spring and Autumn Annals*) into Latin.

Ricci's treatises and letters were later compiled into two volumes, *Notes of China* and *Correspondence in China*, and published in Italy. These books helped acquaint the West with Chinese geography, history, thought, religion, literature, art and customs. They stand as important works in the history of cultural exchanges between China and the West.

With the help of the Chinese scholars, Ricci produced the first map of the world in Chinese. These maps were published in a volume entitled *Mapamondo* and several of the early editions have been preserved in libraries in Japan, Italy, Britain and France. He also made the first map of China with parallels showing latitude and meridians showing longitude.

When Matteo Ricci died on May 11, 1610, an imperial decree was issued granting him a burial site.

BOOKS

"A Dream of Red Mansions"

《红楼梦》

Written by Cao Xueqin (Tsao Hsueh-chin) and Gao E (Kao Ngo);

Translated by Yang Xianyi (Yang Hsien-yi) and Gladys Yang;

Published by Foreign Languages Press, Beijing;

Volume I (clothbound), Renminbi 5.25 yuan;

(hard cover), Renminbi 4.85 yuan;

Volume II (clothbound), Renminbi 5.80 yuan;

(hard cover), Renminbi 5.40 yuan;

Volume III: available soon.

The English edition of *A Dream of Red Mansions*, the outstanding classical Chinese novel of the Qing Dynasty, has recently been published by the Foreign Languages Press in Beijing. It is the first complete 120-chapter English edition ever published in China.

A Dream of Red Mansions was written in the mid-18th century during the reign of Emperor Qianlong. It has been widely read in China throughout the last 200 years.



Yang Xianyi and his wife Gladys Yang.

The novel describes the tragic love between Jia Baoyu and his cousin Lin Daiyu. In addition, the novel is of great interest sociologically. Its portrayal of the rise and fall of the feudal, aristocratic Jia family can be viewed as a chronicle of the decline of feudal society.

This novel, running to almost one million words, meticulously develops its main characters and vividly portrays their daily lives. The work has a magnificent and close-knit structure. It is the paramount example of realism in classical Chinese novels.

Author Cao Xueqin (1715-64 A.D.)* lived during the reign of Emperor Qianlong. He was a descendant of a rich and highly cultivated aristocratic family which was closely connected with the Qing imperial house. The family's fortunes declined, however, amidst internal conflict in the Qing court. Cao Xueqin's family moved from southern China to Beijing when he was 13 years old. In his later years, Cao lived in destitute straits in the western suburbs of the city. The author drew heavily on his experiences in his writings and powerfully depicted the dark side of feudal China and its inevitable decline.

Only 80 chapters of Cao Xueqin's monumental work remain as the manuscripts of later chapters were lost. The last 40 chapters were the work of Gao E, an imperial official in the court of Emperor Qianlong. Gao turned the work into a magnum opus with a complete structure and story.

In the "Publisher's Note,"

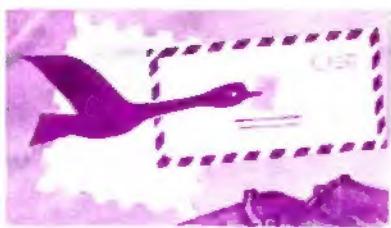
there are a brief account of the era in which the novel was written, a biographical sketch of the author and an account of the work's different editions. The reader is helped through what appears at first sight to be an inexplicable chaos of innumerable characters and events by a list of the leading characters and necessary explanations of famous things, classical allusions and puns.

The three English volumes were translated by Yang Xianyi and Gladys Yang, a renowned husband and wife translator team. They have previously translated many well-known Chinese classics and modern Chinese literary works, including the *Selected Works of Lu Xun*. Utilizing their profound knowledge of both the English and Chinese languages and literature, they have produced a masterpiece of a translation of this great Chinese classic after a dozen years of meticulous work. The translation is accurate yet smooth. The couple succeeded in translating the classical poems accurately and appropriately without sacrificing their rhyme.

Professor Wu Shichang of the Literary Institute of the Chinese Academy of Social Sciences has carefully checked the translations. The colour plates in the book are contributed by a young painter, Dai Dun-bang (Tai Tun-pang) of Shanghai.

This novel, immensely popular in China, is finally available in its entirety to the English reading audience in this superb translation.

* The author's birth and death was also dated as 1716-63.



LETTERS FROM READERS

Premier Hua's Visit to Japan

Premier Hua's visit to Japan was reported in *Beijing Review* issue No. 23. His visit, which is of epoch-making significance in the long history of interchange between Japan and China, was vilified by the Soviet Union. This shows that the struggle against hegemonism has achieved positive results. Premier Hua's meeting with the masses made a deep impression on the Japanese people. In addition, he clearly reaffirmed the principle of non-interference in the internal affairs of another country and upheld the Five Principles of Peaceful Coexistence. All this has won the support and approval of my people.

Osamu Nakane
Ehime, Japan

Class and Class Struggle

I have read the article on the discussion of class and class struggle in issue No. 22. I think it is correct to explain this question from the viewpoint of economic relations. One can see from the struggles waged in the People's Republic of China that the forces against the socialist road are not, at least not mainly, made up of the old classes. They are mostly composed of representative personnel in the leadership of the Party and state. What they pursue are the class interests which are incompatible with socialism, and they do not rely on the old classes.

Werner Scholz
Dinslaken, West Germany

As long as there is a state, there are classes it represents, and class struggle, too. With the existence of the state and the difference between mental and manual labour, this struggle will continue. Since ensuring national solidarity has become the dominant contradic-

tion in this world, the struggle may not be an antagonistic one.

Alain Gripon
Angers, France

Competition

I have just begun reading your magazine (issue No. 22). The discussion on China's socialist economy — emulation or competition — attracted my attention, so I bought a copy.

I find the article by Lin Zili very interesting, particularly because of the practical results that may be obtained. On the other hand, Zhu Jiaming quoted in his article several passages from Marx, but these quotations show just the opposite of what he tried to affirm. Marx pointed out that "social contact begets in most industries an emulation," not competition.

I hope you will publish some articles giving detailed analyses of the conditions before carrying out the reform in economic structure and in other fields. And I also hope there will be articles explaining the extent of competition in China's socialist economy.

O.C. Rivadeneira
Chiclayo, Peru

Economic Work

As a new reader of *Beijing Review*, I am especially interested in the section on economy. I admire your way of developing the economy. Today, China has made conscious effort not to develop industrial production blindly; it is well aware of the agricultural problem in the national economy today and is taking effective measures to aid agricultural production. It is significant to note that, to reduce the burden on state investment, rural communes and urban factories are setting up industrial enterprises. All this shows that China has not blindly followed the Western way but is seeking her own road. It seems that China has achieved success in this respect.

Bissig Hermann
Brunnen, Switzerland

One article will remain in my memory. It is "On Reforming the Economic Management System." I thought that while it posed questions it also gave sound practical answers. That is what I would

consider to be the strong point of the articles as a whole.

Alex G. Macaskill
Lanarkshire, Scotland

Coverage on Medicine

I read the short articles on medicine "Cancer Mortality Survey" in the May 5 issue, p. 29, and "50 Million Peasant Women Receive Medical Checkups" in the April 14 issue, p. 27, with interest. Are there studies going on relating to poor nutrition as one of the causes of disease? Garlic is said by some to be helpful in preventing arteriosclerosis and other heart-related problems.

Bruce Beck
Santa Barbara, Calif.
U.S.A.

Exposing Gang of Four

We consider that exposing the gang of four and its heinous policy is an important content of your journal. This is because it has done great harm to our mass movement. We are also interested in articles on the criterion of truth.

J.C. Guerra
San Pedro, Colombia

Sketch Maps

In issue No. 22 (June 2, 1980), I particularly enjoyed "To the South Pacific" which was about the test firing of the Chinese rocket. I think you should use a sketch map whenever possible to show the location of towns and provinces which you write about, because many are not well known to people outside China. Even a very small map would do.

Richard J. Macey
Sydney, Australia

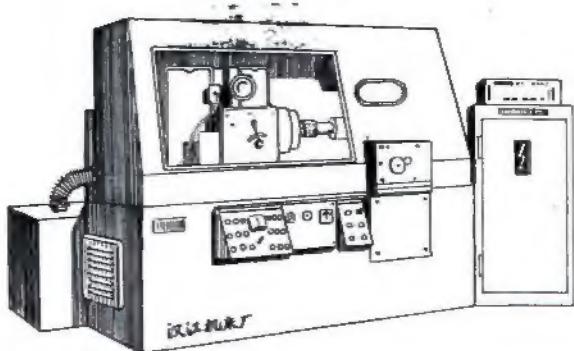
Beginning from issue No. 20, sketch maps are used in the column "Events & Trends."
— Ed.



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